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November 18, 2010

Elizabeth M. Murphy, Esq.
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Re: Family Offices (Release No. IA-3098); File Number S7-25-10

Dear Ms. Murphy:

We are submitting this letter on behalf of a family office client to comment on the rule (the "Proposed Rule") proposed by the Securities and Exchange Commission ("Commission") in Release No. IA-3098 (the "Release") defining "family offices" that would be excluded from the definition of "investment adviser" under the Investment Advisers Act of 1940, as amended (the "Act"). As a preliminary matter, our client supports many of the comments that have already been submitted to better define the term "family office." Specifically, our client supports the comprehensive comments submitted in the letter submitted by Martin Lybecker of Perkins Coie dated November 11, 2010 on behalf of The Private Investor Coalition.

Our client is a single family office that is structured as a department of an operating company. The family office serves only "family clients" as defined in the Proposed Rule. At the current time, the operating company is wholly owned and controlled by family members, including family trusts with family member trustees. Our client is concerned, however, by the Commission's proposal to require a family office to be "wholly owned and controlled", either directly or indirectly, by family members in order to fall within the Proposed Rule's exclusion from registration as an investment adviser under the Act.

While the "family office" portion of our client's operating company will always serve only "family clients" as defined in the Proposed Rule, it is foreseeable that, in the future, key employees may own some minority share of the operating company. It is also quite possible that, some day in the future, one of the current family trust owners will have a non-family trustee as one of the trustees. Under the Proposed Rule, even if our client's family office did not perform any investment related work for this trust or a key employee with minority ownership in the operating company, the family office would not meet the Commission's definition of a "family office" and therefore would not qualify for the associated exclusion, even though the family office would continue to satisfy the intent of the exclusion.



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For this reason, our client urges the Commission to modify its Proposed Rule to define a “family office” as any company formed by, primarily for the benefit of, or subject to the control of, the members of a single family.

Respectfully submitted,

A handwritten signature in cursive script that reads "Thomas Abendroth".

Thomas W. Abendroth